

Media Contact:

Greg Risling Public Information Officer 213-974-3525 GRisling@da.lacounty.gov

Twitter: @LADAOffice

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Store Owners Charged in \$1.3 Million Cell Phone Insurance Fraud Case

Two cell phone store owners have pleaded not guilty to charges that they bilked more than \$1.3 million from an insurance company after allegedly filing false claims, the Los Angeles County District Attorney's Office announced.

Jason Young Kwon (dob 9/8/82) of Santa Fe Springs and David Kisuk Chang (8/2/82) of Burbank are each charged in case BA436404 with 22 counts of insurance fraud, 18 counts of identity theft and one count of grand theft.

Chang entered his plea on Monday and Kwon pleaded not guilty on Tuesday. They are both scheduled to return on May 28 to Department 30 of the Foltz Criminal Justice Center for a preliminary hearing setting. The case was filed on May 13.

Deputy District Attorney Warren Kato of the High Technology Crime Division said Kwon and Chang owned separate cell phone stores. The business partners are accused of filing false insurance claims for allegedly lost, stolen or damaged cell phones.

Beginning in late 2011, the two men filed false claims by submitting forged driver licenses to support the fraudulent claims. The people whose licenses were being used were unaware their identifications were being used for illegal activity. Replacement cell phones were then provided by the insurance company and sold for profit, Kato said.

If convicted as charged, both men face up to 43 years, eight months in state prison.

The case is being investigated by the California Department of Insurance.

About the Los Angeles County District Attorney's Office

Los Angeles County District Attorney Jackie Lacey leads the largest local prosecutorial office in the nation. Her staff of nearly 1,000 attorneys, 300 investigators and 800 support staff members is dedicated to seeking justice for victims of crime and enhancing public safety. Last year, the <u>Los Angeles County District Attorney's Office</u> prosecuted more than 71,000 felony defendants and nearly 112,000 misdemeanor defendants.